

1 AN ACT in relation to the Metro-East Sports Facilities  
2 Authority.

3 Be it enacted by the People of the State of Illinois,  
4 represented in the General Assembly:

5 Section 1. Short title. This Act may be cited as the  
6 Metro-East Sports Facilities Authority Act.

7 Section 5. Definitions. In this Act:

8 "Authority" means the Metro-East Sports Facilities  
9 Authority.

10 "Facility" means any of the following:

11 (1) Stadiums, arenas, or other structures for the  
12 holding of athletic contests or events, including  
13 baseball, football, and automobile racing; musical,  
14 dramatic, and other artistic, or social events.

15 (2) Practice fields, or other areas where  
16 professional sports teams may practice or perform.

17 "Facility" also means the following types of property if  
18 that property is directly related to an item listed in  
19 paragraphs (1) or (2) of this definition:

20 (i) Offices, parking lots and garages, access  
21 roads, transportation facilities, restaurants, and  
22 stores.

23 (ii) Other recreation areas.

24 (iii) Other property or structures, including  
25 all fixtures, furnishings, and appurtenances  
26 normally associated with such facilities.

27 "Loan agreement" means a legally binding contract between  
28 the Authority and an owner of a facility, pursuant to which  
29 the Authority agrees to make loans to the owner for the  
30 purpose of (i) constructing, acquiring, operating, repairing,  
31 rehabilitating, or managing a facility and the site on which

1 a facility is or is to be located, which facility or site  
2 must be located in Madison or St. Clair County, and (ii)  
3 infrastructure improvements related to the facility.

4 Section 10. Legislative finding and declaration. The  
5 General Assembly finds that as a result of deteriorating  
6 infrastructure and sports facilities in the metropolitan area  
7 including and surrounding Madison and St. Clair counties,  
8 there is a shortage of sports facilities suitable for use by  
9 professional sports teams and other musical, theatrical, and  
10 other social organizations.

11 It is further found that as a result of the costs to  
12 repair or replace the infrastructure and facilities, and as a  
13 result of current high financing costs, the private sector,  
14 without the assistance contemplated in this Act, is unable to  
15 construct feasibly adequate sports facilities.

16 It is further found that the creation of modern sports  
17 facilities and the other results contemplated by this Act  
18 would stimulate economic activity in the State of Illinois,  
19 including the creation and maintenance of jobs, the creation  
20 of new and lasting infrastructure and other improvements, and  
21 the retention of sports and entertainment events that  
22 generate economic activity.

23 It is further found that professional sports facilities  
24 can be magnets for substantial interstate tourism resulting  
25 in increased retail sales, hotel and restaurant sales, and  
26 entertainment industry sales, all of which increase jobs and  
27 economic growth.

28 Section 15. Authority and Board created.

29 (a) The Metro-East Sports Facilities Authority is  
30 created as a political subdivision, unit of local government,  
31 body politic, and municipal corporation.

32 (b) The governing and administrative powers of the

1 Authority shall be vested in a body known as the Metro-East  
2 Sports Facilities Authority Board. The Board shall consist  
3 of 8 members:

4 (1) A Chair, who shall be appointed by the Governor  
5 subject to the approval of the Chair of the Madison  
6 County Board and the Chair of the St. Clair County Board.

7 (2) Three additional members appointed by the  
8 Governor.

9 (3) Two members appointed by the Chair of the  
10 Madison County Board.

11 (4) Two members appointed by the Chair of the St.  
12 Clair County Board.

13 All gubernatorial appointments, including the Chair,  
14 shall be subject to the advice and consent of the Senate,  
15 except in the case of temporary appointments as provided in  
16 Section 20. No member shall be employed by the State or any  
17 political subdivision of the State or by any department or  
18 agency of the State or any political subdivision of the  
19 State.

20 Section 20. Terms of appointments.

21 (a) On the effective date of this Act:

22 (1) The Governor shall appoint the Chair for an  
23 initial term expiring July 1, 2004, and 3 other members  
24 of the Board for initial terms expiring July 1 of the  
25 years 2002, 2003, and 2004, respectively.

26 (2) The Chair of the Madison County Board shall  
27 appoint 2 members of the Board for initial terms expiring  
28 July 1 of the years 2002 and 2003, respectively.

29 (3) The Chair of the St. Clair County Board shall  
30 appoint 2 members of the Board for initial terms expiring  
31 July 1 of the years 2002 and 2003, respectively.

32 (b) At the expiration of the term of any member  
33 appointed by the Governor, the Governor shall appoint the

1 member's successor in the same manner, and at the expiration  
2 of the term of any member appointed by the Chair of the  
3 Madison County Board or the Chair of the St. Clair County  
4 Board, the appointing Chair shall appoint the member's  
5 successor in the same manner, as appointments for the initial  
6 terms. All successors shall hold office for a term of 3  
7 years from the first day of July of the year in which they  
8 are appointed, except in the case of an appointment to fill a  
9 vacancy. Each member, including the Chair, shall hold office  
10 until the expiration of the member's term and until the  
11 member's successor is appointed and qualified. Nothing shall  
12 preclude a member or a Chair from serving consecutive terms.

13 (c) Vacancies for members and for the Chair shall be  
14 filled in the same manner as original appointments for the  
15 balance of the unexpired term.

16 Section 25. Actions of the Authority.

17 (a) Six members of the Authority constitute a quorum for  
18 the purpose of conducting business. Actions of the Authority  
19 must receive the affirmative vote of at least 6 members. The  
20 Authority shall determine the times and places of its  
21 meetings. The members of the Authority shall serve without  
22 compensation for service as a member but are entitled to  
23 reimbursement of reasonable expenses incurred in the  
24 performance of their official duties.

25 (b) The Authority shall annually elect a secretary and a  
26 treasurer.

27 (c) An executive committee made up of 4 members,  
28 comprised of the Chair, one other member who was appointed by  
29 the Governor, one member who was appointed by the Chair of  
30 the Madison County Board, and one member who was appointed by  
31 the Chair of the St. Clair County Board, have the authority  
32 to operate the Authority on a day-to-day basis, with the  
33 powers and duties determined by the bylaws of the Authority.

1 Section 30. Executive Director. The Authority shall  
2 appoint an Executive Director, who is the chief executive  
3 officer of the Authority. In addition to any other duties  
4 set forth in this Act, the Executive Director shall do the  
5 following:

6 (1) Direct and supervise the administrative affairs  
7 and activities of the Authority, in accordance with its  
8 rules, regulations, and policies.

9 (2) Attend meetings of the Authority.

10 (3) Keep minutes of all proceedings of the  
11 Authority.

12 (4) Approve all accounts for salaries, per diem  
13 payments, and allowable expenses of the Authority and its  
14 employees and consultants and approve all expenses  
15 incidental to the operation of the Authority.

16 (5) Report and make recommendations to the  
17 Authority on the merits and status of any proposed  
18 facility.

19 (6) Perform any other duty that the Authority  
20 requires for carrying out the provisions of this Act.

21 Section 35. Powers.

22 (a) In addition to the powers set forth elsewhere in  
23 this Act, the Authority may do the following:

24 (1) Adopt and alter an official seal.

25 (2) Sue and be sued, plead and be impleaded, all in  
26 its own name, and agree to binding arbitration of any  
27 dispute to which it is a party.

28 (3) Adopt bylaws, rules, and regulations to carry  
29 out the provisions of this Act.

30 (4) Maintain an office or offices at the place the  
31 Authority may designate.

32 (5) Employ, either as regular employees or  
33 independent contractors, consultants, engineers,

1 architects, accountants, attorneys, financial experts,  
2 construction experts and personnel, superintendents,  
3 managers and other professional personnel, and such other  
4 personnel as may be necessary in the judgment of the  
5 Authority, and fix their compensation.

6 (6) Acquire, hold, lease, use, encumber, transfer,  
7 or dispose of real and personal property, including the  
8 alteration of or demolition of improvements to real  
9 estate.

10 (7) Enter into contracts of any kind.

11 (8) Enter into one or more loan agreements with an  
12 owner of a facility that conform to the requirements of  
13 this Act and that may contain provisions as the Authority  
14 shall determine, including, without limit: (i) provisions  
15 granting the owner the right and option to extend the  
16 term of the loan agreement; (ii) provisions creating an  
17 assignment and pledge by the Authority of certain of the  
18 Authority's revenues and receipts to be received under  
19 this Act for the benefit of the owner of the facility as  
20 further security for performance by the Authority of its  
21 obligations under the loan agreement; and (iii)  
22 provisions requiring the establishment of reserves by the  
23 Authority or by the owner, or both, as further security  
24 for the performance of their respective obligations under  
25 the loan agreement.

26 (9) Borrow money from any source for any corporate  
27 purpose, including working capital for its operations,  
28 reserve funds, or interest, and to mortgage, pledge or  
29 otherwise encumber the property or funds of the Authority  
30 and to contract with or engage the services of any person  
31 in connection with any financing, including financial  
32 institutions, issuers of letters of credit, or insurers  
33 and enter into reimbursement agreements with this person  
34 which may be secured as if money were borrowed from the

1 person.

2 (10) Receive and accept from any private or public  
3 source, contributions, gifts, or grants of money or  
4 property.

5 (11) Make loans from proceeds or funds otherwise  
6 available to the extent necessary or appropriate to  
7 accomplish the purposes of the Authority.

8 (12) Provide for the insurance of any property,  
9 operations, officers, agents, or employees of the  
10 Authority against any risk or hazard and provide for the  
11 indemnification of its members, employees, contractors,  
12 or agents against any and all risks.

13 (13) Provide relocation assistance and compensation  
14 for landowners and tenants displaced by any land  
15 acquisition by the owner who has entered into a loan  
16 agreement, including the acquisition of land and  
17 construction of replacement housing on that land as the  
18 Authority shall determine.

19 (14) Exercise all the corporate powers granted  
20 Illinois corporations under the Business Corporation Act  
21 of 1983, except to the extent that powers are  
22 inconsistent with those of a body politic and corporate  
23 of the State.

24 (15) Do all things necessary or convenient to carry  
25 out the powers granted by this Act.

26 (b) The Authority may not construct or enter into a  
27 contract to construct a facility.

28 (c) The Authority may adopt rules pursuant to the  
29 Illinois Administrative Procedure Act as are necessary to  
30 carry out those powers and duties conferred by this Act. The  
31 Authority may initially adopt, by January 1, 2002, such rules  
32 as emergency rules in accordance with the provisions of  
33 Section 5-45 of the Illinois Administrative Procedure Act.  
34 For purposes of the Illinois Administrative Procedure Act,

1 the adoption of the initial rules shall be deemed to be an  
2 emergency and necessary for the public interest, safety, and  
3 welfare.

4 Section 40. Duties.

5 (a) In addition to the powers set forth elsewhere in  
6 this Act, subject to the terms of any agreements with the  
7 holders of the Authority's evidences of indebtedness, the  
8 Authority shall do the following:

9 (1) Comply with all zoning, building, and land use  
10 controls of the municipality within which it owns any  
11 property.

12 (2) Enter into a loan agreement with an owner of a  
13 facility to finance the acquisition, construction,  
14 maintenance, or rehabilitation of the facility. The  
15 agreement shall contain appropriate and reasonable  
16 provisions with respect to termination, default, and  
17 legal remedies. The loan may be at below-market interest  
18 rates.

19 (3) Create and maintain a financial reserve for  
20 repair and replacement of capital assets.

21 (b) In a loan agreement for the construction of a new  
22 facility, in connection with prequalification of general  
23 contractors for construction of the facility, the Authority  
24 shall require that the owner of the facility require  
25 submission of a commitment detailing how the general  
26 contractor will expend 25% or more of the dollar value of the  
27 general contract with one or more minority business  
28 enterprises and 5% or more of the dollar value with one or  
29 more female business enterprises. This commitment may be met  
30 by contractor's status as a minority business enterprise or  
31 female business enterprise, by a joint venture, or by  
32 subcontracting a portion of the work with or by purchasing  
33 materials for the work from one or more such enterprises, or

1 by any combination thereof. Any contract with the general  
2 contractor for construction of the new facility shall require  
3 the general contractor to meet the foregoing obligations and  
4 shall require monthly reporting to the Authority with respect  
5 to the status of the implementation of the contractor's  
6 affirmative action plan and compliance with that plan. This  
7 report shall be filed with the General Assembly. The  
8 Authority shall require that the facility owner establish and  
9 maintain an affirmative action program designed to promote  
10 equal employment opportunity and that specifies the goals and  
11 methods for increasing participation by minorities and women  
12 in a representative mix of job classifications required to  
13 perform the respective contracts. The Authority shall file a  
14 report before March 1 of each year with the General Assembly  
15 detailing its implementation of this subsection. The terms  
16 "minority business enterprise" and "female business  
17 enterprise" have the meanings provided in the Business  
18 Enterprise for Minorities, Females, and Persons with  
19 Disabilities Act.

20 Section 45. Reporting. Promptly following entering into a  
21 loan agreement involving a new facility or facility site, the  
22 Authority shall submit a detailed written report and findings  
23 of the Authority with respect to the proposed loan agreement  
24 to the General Assembly. The report and findings of the  
25 Authority shall include the following:

- 26 (1) A detailed plan of the method of funding the  
27 loan agreement.
- 28 (2) An evaluation of the economic consequences of  
29 the proposed loan agreement.
- 30 (3) An analysis of the reasons for acquiring a site  
31 for constructing a new facility.

32 Section 50. Territory. The territory of the Authority is

1 coterminous with the boundaries of the counties of Madison  
2 and St. Clair.

3 Section 55. Acquisition of property. The Authority may  
4 acquire in its own name, by gift or purchase, any real or  
5 personal property, or interests in real or personal property,  
6 necessary or convenient to carry out its corporate purposes.

7 Section 60. Tax exemption. The Authority shall not be  
8 required to pay property taxes on any property it owns.  
9 During the term of a loan agreement made under this Act, the  
10 owner of a facility that is the subject of the agreement  
11 shall not be required to pay property taxes on the facility  
12 or facility site.

13 Section 65. Conflicts of interest; generally.

14 (a) No members or employees of the Authority shall be  
15 employed by, be an officer or director of, or have any  
16 ownership interest in any corporation or entity that is a  
17 party to a loan agreement with the Authority under this Act.

18 (b) No moneys of the Authority shall be deposited in any  
19 financial institution in which any officer, director, or  
20 holder of a substantial proprietary interest is also a member  
21 or employee of the Authority.

22 (c) No real estate to which a member or employee of the  
23 Authority holds legal title or in which such a person has any  
24 beneficial interest, including any interest in a land trust,  
25 shall be purchased by the Authority, nor shall any such  
26 property be purchased by a corporation or entity for a  
27 facility to be financed under this Act. Every member and  
28 employee of the Authority shall file annually with the  
29 Authority a record of all real estate in this State to which  
30 the person holds legal title or in which the person has any  
31 beneficial interest, including any interest in a land trust.

1 In the event it is later disclosed that the Authority or  
2 other entity has purchased real estate in which a member or  
3 employee had an interest, the purchase shall be voidable by  
4 the Authority and the member or employee involved shall be  
5 disqualified from membership in or employment by the  
6 Authority.

7 Section 70. Conflicts of interest; contracts.

8 (a) No member of the Authority or officer, agent, or  
9 employee of the Authority shall, in his or her own name or in  
10 the name of a nominee, be an officer or director of or hold  
11 an ownership interest of more than 7.5% in any person,  
12 association, trust, corporation, partnership, or other entity  
13 that is, in its own name or in the name of a nominee, a party  
14 to a contract or agreement upon which the member or officer,  
15 agent, or employee may be called upon to act or vote.

16 (b) With respect to any direct or any indirect interest,  
17 other than an interest prohibited in subsection (a), in a  
18 contract or agreement upon which the member or officer,  
19 agent, or employee may be called upon to act or vote, a  
20 member of the Authority or officer, agent, or employee of the  
21 Authority shall disclose the same to the secretary of the  
22 Authority before the taking of final action by the Authority  
23 concerning the contract or agreement and shall so disclose  
24 the nature and extent of such interest and his or her  
25 acquisition thereof, which disclosures shall be publicly  
26 acknowledged by the Authority and entered upon the minutes of  
27 the Authority. If a member of the Authority or officer,  
28 agent, or employee of the Authority holds such an interest,  
29 then he or she shall refrain from any further official  
30 involvement in regard to the contract or agreement, from  
31 voting on any matter pertaining to the contract or agreement,  
32 and from communicating with other members of the Authority or  
33 its officers, agents, and employees concerning the contract

1 or agreement. Notwithstanding any other provision of law, any  
2 contract or agreement entered into in conformity with this  
3 subsection (b) shall not be void or invalid by reason of the  
4 interest described in this subsection, nor shall any person  
5 so disclosing the interest and refraining from further  
6 official involvement as provided in this subsection be guilty  
7 of an offense, be removed from office, or be subject to any  
8 other penalty on account of such interest.

9 (c) Any contract or agreement made in violation of  
10 subsection (a) or (b) of this Section shall be null and void  
11 and give rise to no action against the Authority.

12 Section 75. Records and reports of the Authority. The  
13 secretary shall keep a record of the proceedings of the  
14 Authority. The treasurer of the Authority shall be custodian  
15 of all Authority funds and shall be bonded in the amount the  
16 other members of the Authority may designate. The accounts  
17 and books of the Authority shall be set up and maintained in  
18 a manner approved by the Auditor General, and the Authority  
19 shall file with the Auditor General a certified annual report  
20 within 120 days after the close of its fiscal year. The  
21 Authority shall also file with the Governor, the Secretary of  
22 the Senate, the Clerk of the House of Representatives, the  
23 Chair of the St. Clair County Board, the Chair of the Madison  
24 County Board, and the Illinois Economic and Fiscal  
25 Commission, by March 1 of each year, a written report  
26 covering its activities for the previous fiscal year. So  
27 filed, the report shall be a public record and open for  
28 inspection at the offices of the Authority during normal  
29 business hours.

30 Section 80. Tax prohibited. The Authority may not impose  
31 any occupation or other tax.

1           Section 85. No impairment of loan agreement. The State  
2 of Illinois pledges to and agrees with any facility owner  
3 under any loan agreement entered into by the Authority with  
4 respect to a facility that the State will not limit or alter  
5 the rights and powers vested in the Authority by this Act so  
6 as to impair the terms of any the loan agreement or in any  
7 way impair the rights and remedies of the owner so long as  
8 the owner is not in default under the loan agreement. In  
9 addition, the State pledges to and agrees with the owner that  
10 the State will not limit the basis on which State funds are  
11 to be allocated, deposited, and paid to the Authority, or the  
12 use of those funds, so as to impair the terms of any such  
13 loan agreement. The Authority is authorized to include this  
14 pledge and agreement of the State in the loan agreement.

15           Section 90. Volume cap. Notwithstanding any other  
16 provision of law, the Governor may allocate any volume cap  
17 available to the State or any of its agencies under the  
18 Internal Revenue Code of 1986, including any amounts carried  
19 forward by the State or any of its agencies with respect to  
20 stadiums, to the Metro-East Sports Facilities Authority, and  
21 the Authority may carry forward any amount allocated to it by  
22 the Governor or by any home rule unit.

23           Section 95. Abolition of Authority. If the Authority has  
24 not entered into a loan agreement, pursuant to Section 40 of  
25 this Act, with or on behalf of a major league professional  
26 baseball franchise before one year following the effective  
27 date of this Act, the Authority shall be abolished upon the  
28 expiration of that one-year period.

29           Section 999. Effective date. This Act takes effect upon  
30 becoming law.